

Chapter 1 - Federal Acquisition Regulation System (June 23, 2008)

Section 1.1 Ratification of Unauthorized Commitments

1.1.1 PURPOSE

This section establishes policy for use in ratifying unauthorized commitments.

1.1.2 BACKGROUND

This section was originally issued as Chapter 12 of the Contracts Management Manual. **1.1.3**

AUTHORITY/APPLICABILITY

The procedures, approvals, and documentation needed to ratify unauthorized commitments are set forth in Federal Acquisition Regulation (FAR) 1.6 and EPA Acquisition Regulation (EPAAR) 1501.602-3.

1.1.4 DEFINITIONS (*Reserved*)

1.1.5 POLICY

- A) The policy of the EPA is to discourage unauthorized commitments to the maximum extent possible. Actions that contractually bind the Agency should only be made by officials with a proper warrant of contracting officer authority.
- B) Officials with contracting authority employed within the servicing purchasing/contracting offices in Headquarters, the regions, laboratories, or other field components should be consulted prior to any acquisition. If there is an indication of intent by an individual to knowingly place an unauthorized commitment, rather than a lack of knowledge or understanding of regulations, the ratifying official shall inform the Inspector General of the situation in accordance with the EPA Acquisition Regulation.
- C) Individuals responsible for unauthorized commitments may have their certifications of authority as Contracting Officer Representative (COR), Blanket Purchase Agreement Ordering Officer, or Government Purchase Cards revoked by the Director, OAM in accordance with Chapter 42 of the Contracts Management Manual (CMM). The Director, OAM, shall forward the names of individuals whose certifications are so revoked to the Office of Inspector General, Senior Resource Official, and to the Division Director to whom the individual reports. Individuals may face other action, as detailed in the Agency's Conduct and Discipline Manual (EPA Order 3120.1B), ranging from an oral reprimand to removal based on the frequency and severity of their offense(s).

- D) The contracting officer may recommend ratification of the unauthorized commitment only in the amount that is determined to be fair and reasonable. A cost and price analysis may be used as a tool to determine whether the price is fair and reasonable. Any additional amounts above the fair and reasonable amount may be the responsibility of the individual responsible for the unauthorized commitment

Section 1.2 Contracting Officer Warrant Program

1.2.1 PURPOSE

The purpose of this section is to provide the authorities, limitations, and training requirements of Contracting Officers (COs) at EPA.

1.2.2 BACKGROUND

The Contracting Officer Warrant Program is an Agency-wide program for nominating and appointing contracting officers. The program establishes specific education, training, and experience standards for Agency employees who are authorized to contract for supplies and services on behalf of the Agency.

The Contracting Officer Warrant Program is established in accordance with the Office of Federal Procurement Policy's (OFPP's) government-wide framework for training, education, and experience as set forth in the OFPP Policy Letter 05-01.

1.2.3 AUTHORITY/APPLICABILITY

Pursuant to the Federal Acquisition Regulation (FAR) Subpart 1.6, the authority to contract for authorized supplies and services is vested in the Agency Head. The Agency Head may delegate this function. Contracting authority at EPA is delegated as follows:

EPA ADMINISTRATOR

ASSISTANT ADMINISTRATOR FOR ADMINISTRATION
AND RESOURCES MANAGEMENT

DEPUTY ASSISTANT ADMINISTRATOR

DIRECTOR, OFFICE OF ACQUISITION MANAGEMENT DEPUTY

DIRECTOR, OFFICE OF ACQUISITION MANAGEMENT CHIEF OF

THE CONTRACTING OFFICE

CONTRACTING OFFICER

Below are two tables that provide an overview of warrant types and the new requirements for warrants issued for the first time at the Agency after January 1, 2007.

Warrants Requiring Federal Acquisition Certification – Contracting (FAC-C)

| Level I Simplified Acquisition Threshold (SAT) Warrant | Level II Contracting Warrant | Level III Contracting Warrant |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| New warrants after 1/1/07 require FAC-C Level I | New warrants after 1/1/07 require FAC-C Level II | New warrants after 1/1/07 require FAC-C Level III |
| GS-1102s & GS-1105s Open Market up to SAT Purchase Card above Micro-Purchase Appoint BPA Call Ordering Officers Federal Supply Schedule up to SAT | GS-1102s & GS-1105s FAR Part 12 via FAR Part 13 FSS above SAT Award, administer, and terminate contracts up to \$5.5M | GS-1102s Award, administer, and terminate contracts above \$5.5M |
| Training Requirements: FAC-C Level I & 80 CLPs every 2 years | Training Requirements: FAC-C Level II & 80 CLPs every 2 years | Training Requirements: FAC-C Level III & 80 CLPs every 2 years |

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| Other Appointments | Level II Warrants “Other” | Level IV Warrants Re-delegable |
|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Purchase Card Holders Training Requirements: PC Course | DO/TO Officers up to \$250K Training Requirements: Level I courses & 40 CLPs every 2 yrs | Senior Managers who re delegate contracting authority. |
| BPA Call Ordering Officers Training Requirements: Appointment Letter from CO | OSCs \$200K Emergency Warrant Training Requirements: OSC Warrant Course & 40 CLPs every 2 years to meet the OFPP COR training requirements. | |
| | GS-510s & GS511s Financial Warrant Training Requirements: Business degree & 80 CLPs every 2 years | |

The Director, Office of Acquisition Management (OAM), is responsible for establishing policies and procedures for the effective management (including education, training, and career development) of the Agency's contracting officers. Questions concerning these policies and procedures should be referred to the Acquisition Career Manager (ACM), Division Director of the Policy, Training, and Oversight Division (PTOD) within OAM.

Procedures for obtaining and using the Government-wide Commercial Purchase Card are set forth in Chapter 13 of this manual.

The Director of OAM, or his/her designated representative, may waive the requirements of this section, in whole or in part, when unusual or compelling circumstances are documented.

Appointment of individuals as contracting officers does not affect established Office of Personnel Management and EPA qualification standards for recruiting and hiring, promoting, reassigning, or other personnel actions.

1.2.4 DEFINITIONS

- A) Acquisition Career Manager. The Acquisition Career Manager (ACM) is appointed by the Senior Procurement Executive as a leader of the Agency's acquisition career management program. The ACM is responsible for ensuring that the Agency's acquisition workforce meets the requirements of the OFPP Policy Letter 05-01.
- B) Appointing Official. The appointing official is an Agency employee with delegated authority to appoint contracting officers. Appointing officials are responsible for ensuring the contracting officers they appoint meet the requirements of the Federal Acquisition Regulation 1.603 and any Agency specific requirements of this section.
- C) Chief of the Contracting Office. The Chief of the Contracting Office (CCO) is any Division Director in the OAM. CCOs can appoint contracting officers within their divisions or other specified organizations where they have acquisition responsibility, e.g., regional offices, remote laboratory locations, etc.
- D) Head of the Contracting Activity and Senior Procurement Executive. The Director, OAM serves as both the Head of the Contracting Activity (HCA) and the Senior Procurement Executive (SPE). The Director has overall responsibility for managing the Contracting Officer Warrant Program.
- E) National Purchase Card Program Manager (NPCPM). The National Purchase Card Program Manager is the Agency official responsible for the overall management, administration, and oversight of the Purchase Card Program. This includes processing

applications for cardholders, approving officials, and routine maintenance of Purchase Card accounts. For Agency employees who do not otherwise have procurement authority, the NPCPM appoints purchase card COs. Procedures for obtaining and using the Purchase Card are set forth in Chapter 13 of this manual.

- F) Nominating Official. The nominating official is the employee's immediate supervisor.
- G) Certificate of Appointment (warrant). A Certificate of Appointment, Standard Form (SF) 1402, is used to grant contracting authority to qualified individuals. It is often referred to as a “warrant.” The dollar value limit of a CO’s authority is the maximum amount that may be obligated in any single contract action. The terms “warrant” and “certificate of appointment” will be used interchangeably throughout this document. Each contracting officer shall display the SF-1402 in their workspace so that it is readily observable to the public and provide a copy of it to interested parties, offerors, and contractors upon request.

1.2.5 POLICY

1.2.5.1 Certificate of Appointment Levels - Level I Contracting Officers

There are two types of Level I contracting authority at EPA: Purchase Card Contracting and Simplified Acquisition Contracting Officers.

- A) Purchase Card Contracting Officers.
 - 1) Warrants solely for the use of the Purchase Card will be issued for all Agency cardholders by the National Purchase Card Program Manager. Agency cardholders are exempt from all requirements of the Federal Acquisition Certification-Contracting (FAC~ C). There is no Continuous Learning Point requirement for cardholders. Although, all cardholders are required to take EPA’s one-day purchase card course and three-year refresher course to obtain and maintain cardholder status. Procedures for obtaining and using the Purchase Card are covered in Chapter 13 of this Manual.
- B) Simplified Acquisition Contracting Officers (SACOs).
 - 1) Purchase authority for SACOs is noted in the following matrix. The appointing official may limit purchasing authority based upon categories (e.g., services, construction, etc.), acquisition vehicle, contracting method or type, and the knowledge, skill, or experience of the individual. Any restrictions to the authorities must be specifically stated on the warrant.

| SIMPLIFIED ACQUISITION CONTRACTING OFFICERS Level I Warrant | |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Authority | Maximum Monetary Limit for Individual Actions |
| 1. Open market purchases (including construction) | Up to SAT |
| 2. Orders under General Services Administration (GSA) Federal Supply Schedules (FSS) | Because the GSA Schedules do not have monetary limits, ordering limits must be identified on the SACO warrant. Limits may vary in dollar amount for supplies or services. For example, a warrant may grant open market authority up to \$25,000, but also grant authority to order supplies under FSS up to \$100,000 and services up to \$25,000. |
| 3. Government-wide Commercial Purchase Card | SACOs (regardless of GS series) may be granted purchase card authority above the micro-purchase threshold. Single transaction limits shall not exceed warrant authority. Requirements for obtaining and using the Purchase Card are set forth in Chapter 13 of this manual. |
| 4. Appoint BPA Ordering Officers | Cognizant SACOs may appoint BPA Call Ordering Officers with ordering authority up to \$3,000. See 1.2.5.1 B for additional information |

2) **Mandatory Training and Certification:**

- a) SACOs entering the career field after October 1, 2005, must complete the Level I training curriculum established by the Department of Defense's Defense Acquisition University (DAU). This curriculum can be found on the Federal Acquisition Institute website at www.fai.gov. Core courses must be provided by DAU or by a provider deemed DAU equivalent. After completing their mandatory training, SACOs must maintain the continuing education requirements set forth in section 1.2.5.7 of this chapter.
- b) SACOs who possessed an Agency warrant before January 1, 2007, are strongly encouraged to apply for FAC-C. SACOs applying for a warrant for the first time at the Agency after January 1, 2007, will be required to possess FAC-C Level I before a warrant will be issued. See OAM's Acquisition Handbook Chapter 1 for additional FAC-C information.
- c) All SACOs are subject to the 80 Continuous Learning Point requirement set forth in section 1.2.5.6 of this chapter.
- d) Individuals not meeting Level I FAC-C requirements may request a waiver from meeting the Agency warrant requirements from the SPE through the ACM. See CMM section 1.2.5.5. Waivers are not routinely given and individuals are

encouraged to first use their 80 CLP requirement to meet the minimum requirements of the FAC-C.

1.2.5.2 Certificate of Appointment Levels - Level II Contracting Officers

Level II Contracting Officers (CO): There are five types of Level II COs at EPA: A) Limited Contracting Officers, B) Delivery Order or Task Ordering Officers, C) Warranted On-Scene Coordinators, D) Contracting Officers for Indirect Cost Rates, and E) Financial Administrative Contracting Officers.

- A) Limited Contracting Officers. Purchase authority for warrant holders is noted in the following matrix. The appointing official may limit purchasing authority based upon categories (e.g., services, construction, etc.), acquisition vehicle, contracting method or type, and the knowledge, skill, or experience of the individual. Any restrictions to the authorities must be specifically stated on the warrant.

| LIMITED LEVEL II CONTRACTING OFFICERS | |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Authority | Maximum Monetary Limit for Individual Actions |
| 1. Open market purchases (including construction) | Up to SAT |
| 2. Orders under General Services Administration (GSA) Federal Supply Schedules (FSS) | Because the GSA Schedules do not have monetary limits, ordering limits must be identified on the warrant. Authority may be granted above the SAT. |
| 3. FAR Part 12 via FAR Part 13 FSS above SAT Award, administer, and terminate contracts. | Limits may vary up to \$5.5M. Management should grant authority commensurate with the CO's experience. |
| 4. Government-wide Commercial Purchase Card | Level II COs may be granted purchase card authority above the micro-purchase threshold. Single transaction limits shall not exceed warrant authority. Requirements for obtaining and using the Purchase Card are set forth in Chapter 13 of this manual. |
| 5. Appoint BPA Call Ordering Officers | Cognizant COs may appoint BPA Call Ordering Officers with ordering authority up to \$3,000. See 1.2.5.1 B for additional information |

Education, Experience, & Training Requirements:

- 1) a) Level II Limited contracting officers must be in the GS-1102 or GS-1105 job series.

- b) Contract specialists requesting a Level II warrant and who entered the career field after October 1, 2005, must complete the Level II training curriculum established by the Department of Defense's Defense Acquisition University (DAU). This curriculum can be found on the Federal Acquisition Institute website: www.fai.gov. Core courses must be provided by DAU or by a provider deemed DAU equivalent. After completing their mandatory training, warrant holders must maintain the continuing education requirements set forth in section 1.2.5.7 of this chapter.
 - c) Contract specialists who possessed an Agency warrant before January 1, 2007, are strongly encouraged to apply for FAC-C. GS-1102s and GS-1105s applying for a warrant for the first time at the Agency after January 1, 2007, will be required to possess FAC-C Level II before an Agency Level II warrant will be issued. See OAM's Acquisition Handbook Chapter 1 for additional FAC-C information.
 - d) All 1102s and 1105s are subject to the 80 Continuous Learning Point (CLP) requirement set forth in section 1.2.5.7 of this chapter.
 - e) Individuals not meeting Level II FAC-C requirements may request a waiver from meeting the Agency warrant requirements from the SPE through the ACM. See CMM section 1.2.5.5. Waivers are not routinely given and individuals are encouraged to first use their 80 CLP requirement to meet the minimum requirements of the FAC-C.
 - f) Level II CO's may obtain a Purchase Card by following the requirements of Chapter 13 of this manual.
- B) Delivery or Task Ordering Officers: Delivery or Task Ordering Officers, sometimes called "Ordering Officers" have authority to issue and modify delivery or task orders against Agency contracts. The monetary limit shall not exceed \$250,000, cumulative (total value inclusive of all modifications over the life of the order), per delivery or task order. Limits to their authority, as well as the specific contract number(s), must be listed on their warrants.
- 1) Mandatory Training: In addition to the training requirements for contracting officer representatives specified in Chapter 42 of this manual, Delivery Order or Task Ordering Officers must complete the Level I training curriculum established by the Department of Defense's Defense Acquisition University (DAU). This curriculum can be found on the Federal Acquisition Institute website: www.fai.gov. Core courses must be provided by DAU or by a provider deemed DAU equivalent. Delivery or Task Ordering Officers are not required to obtain FAC-C; however, they are subject to the 40 CLP requirements for Contracting Officer Representatives set forth in section 1.2.5.7 of this chapter.
- C) Warranted On-Scene Coordinators (OSC). The EPA On-Scene Coordinator (OSC) is the

Federal Official pre-designated by the lead agency to coordinate and direct responses to environmental and human health threats pursuant to the National Contingency Plan (NCP). CO authority for OSCs is reserved for EPA personnel whose responsibilities include obtaining the services necessary to respond to emergency and time-critical releases or potential releases of hazardous substances, pollutants, contaminants, and petroleum products that present an imminent and substantial threat to the public health, welfare, or the environment, and the response action is taken pursuant to the NCP.

- 1) **Mandatory Training.** In addition to the training requirements for contracting officer representatives specified in Chapter 42 of this manual, and purchase card training requirements specified in Chapter 13 of this manual, Warranted On-Scene Coordinators must complete OAM's OSC Warrant Course and are subject to the 40 CLP requirement for Contracting Officer Representatives set forth in section 1.2.5.7 of this chapter. OSCs are not required to obtain a FAC-C.
- 2) **Warrant Authority:** This CO warrant authorizes appointees to bind the Government only for the actions stated above in section 1.2.5.2 C, with the limitations indicated below in paragraphs a through f. It should be noted that the Delegation of Procurement Authority issued to each OSC governs the authorities of the delegation. The descriptions provided below briefly describe the specific limitations and are not intended to be comprehensive descriptions:
 - a) When an emergency occurs that requires response action contracting support and it is determined that a response action is required immediately, work may be issued in writing or orally. Prior to exercising this authority, the OSC must determine whether sufficient time permits the issuance of the work through the cognizant GS-1102 CO. The cumulative price per work ordering instrument shall not exceed \$200,000.
 - b) Entering into new agreements through the EPA authorized Notice to Proceed, in accordance with established Agency procedures, to procure goods, supplies, and/or services in support of emergency response actions. This authority can only be used if the OSC has determined that the cognizant GS-1102 CO is unable to provide the required contractual support. The amount of the Government's liability for any contract award via a Notice to Proceed shall not exceed \$200,000.
 - c) Issuing stop work orders to stop all or any part of the work ordered in EPA response action contracts during emergency response actions. The stop work periods shall not exceed fourteen (14) calendar days.
 - d) Consenting to subcontracts during an emergency response or other removal action where the OSC documents an urgent need requiring EPA subcontract consent and the cognizant GS-1102 CO is unable to provide the required subcontract consent support within a reasonable time period. No subcontract consent provided by an

OSC shall exceed \$200,000 in subcontract value.

- e) Authorize the contractor to incur overtime premiums.
- f) Authorize the incurrence of standby costs for equipment items for periods not-to-exceed fourteen (14) calendar days.

D) Contracting officers for Indirect Cost Rates.

- 1) Warrant Authority: Contracting officers for Indirect Cost Rates have warrant authority limited to the negotiation of indirect cost rates (both provisional and final) and the issuance of CO final decisions regarding such negotiations. This authority does not confer the authority to enter into, administer, or terminate contracts and to make related determinations and findings.
 - 2) Experience: Contracting officers for Indirect Cost Rates must have two years experience negotiating indirect cost rates or related experience in any of the following areas:
 - a) Contract auditing with an audit organization;
 - b) Contract cost/price analysis with a procurement organization; or
 - c) Relevant private sector experience.
 - 3) Training Requirements: In addition to the requirements cited above, a contracting officer for indirect cost rates must have a Baccalaureate degree in business or a related field; or twenty-four (24) credit hours from an accredited institution of higher learning in financial and general accounting. Indirect Rate warrant holders are not required to obtain FAC-C however, they are subject to the 80 Continuous Learning Point requirements for contracting officers set forth in section 1.2.5.7 of this chapter.
- E) Financial Administrative Contracting Officer (FACO). FACOs have authority to perform administrative contracting officer functions relating to financial aspects of contracts. Authority is limited to financially administering contracts and does not include authority to enter into or terminate contracts. Authority includes, but is not necessarily limited to, the following:
- 1) Reviewing the contractor's compensation structure and insurance plans;
 - 2) Negotiating forward pricing agreements;
 - 3) Negotiating advance agreements applicable to treatment of costs under contracts currently assigned for administration;

- 4) Establishing billing and final indirect cost rates for those contractors meeting the criteria for contracting officer determinations in FAR Subpart 42.7;
- 5) Concerning the Cost Accounting Standards (CAS):
 - a) Determining the adequacy of the contractor's Disclosure Statement;
 - b) Determining whether the contractor's disclosed practices are in compliance with CAS and FAR;
 - c) Determining the contractor's actual practices of estimating, accumulating and reporting costs are in compliance with CAS, FAR and the Disclosure Statements; and
 - d) Negotiating price adjustments and executing supplemental agreements under the CAS clauses;
- 6) Reviewing, approving or disapproving, and maintaining surveillance of contractors' purchasing systems in accordance with FAR Part 44;
- 7) Negotiating advance agreements for Independent Research and Development/Bid and Proposal Costs;
- 8) Resolving issues related to contractors' cost/schedule control system, including travel policies/procedures, allocation and cost charging methodology, timekeeping and labor distribution policies and procedures, subcontract payment practices, matters concerning relationships between contractors and their affiliates and subsidiaries, defective pricing issues, and consistency between old and new accounting classifications.
- 9) Experience and Training: The experience and training requirements for Financial Administrative Contracting Officer authority are the same as the experience and training requirements for Indirect Cost Rate Contracting Officers listed in paragraphs D) (2) & (3) of this section. FACO warrant holders are not required to obtain FAC-C however, they are subject to the 80 Continuous Learning Point requirements for contracting officers set forth in section 1.2.5.7 of this chapter.

1.2.5.3 Certificate of Appointment Levels - Level III Contracting Officers

Level III Contracting Officers (CO). Level III COs are granted authority to enter into, administer, or terminate contracts and make related determinations and findings up to the monetary limit designated on the individual's warrant. Monetary authority includes simplified acquisition procedures and may extend to unlimited authority. Level III COs may appoint BPA call ordering officers with authority to issue orders under specific BPAs up to the micropurchase threshold.

| LEVEL III CONTRACTING OFFICERS | |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Authority | Maximum Monetary Limit for Individual Actions |
| 1. Open market purchases (including construction) | May vary from \$5.5M to unlimited |
| 2. Orders under General Services Administration (GSA) Federal Supply Schedules (FSS) | Because the GSA Schedules do not have monetary limits, ordering limits must be identified on the warrant. Authority may be granted above the SAT to unlimited. |
| 3. Award, administer, and terminate contracts | Limits may vary from \$5.5M to unlimited. Management should grant authority commensurate with the CO's experience. |
| 4. Government-wide Commercial Purchase Card | Level III COs may be granted purchase card authority above the micro-purchase threshold. Single transaction limits shall not exceed warrant authority. Requirements for obtaining and using the Purchase Card are set forth in Chapter 13 of this manual. |

1)

| | |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 5. Appoint BPA Call Ordering Officers | Cognizant COs may appoint BPA Call Ordering Officers with ordering authority up to \$3,000. See 1.2.5.1 B) for additional information |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|

Education, experience, and training requirements are as follows. a) Level

III COs must be in the GS-1102 occupational series.

- b) Contract specialists requesting a Level III warrant and who entered the career field after October 1, 2005, must complete the Level III training curriculum established by the Department of Defense's Defense Acquisition University (DAU). This curriculum can be found on the Federal Acquisition Institute at website www.fai.gov. Core courses must be provided by DAU or by a provider deemed DAU equivalent. After completing their mandatory training, warrant holders must maintain the continuing education requirements set forth in section 1.2.5.7 of this chapter.
- c) Contract specialists who possessed an Agency warrant before January 1, 2007 are strongly encouraged to apply for FAC-C. GS-1102s applying for a warrant for the first time at the Agency after January 1, 2007, will be required to possess FAC-C Level III before an Agency Level III warrant will be issued. See OAM's Acquisition Handbook Chapter 1 for additional FAC-C information.

- d) All 1102s are subject to the 80 CLP requirement set forth in section 1.2.5.7 of this chapter.

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- e) Individuals not meeting Level III FAC-C requirements may request a waiver from meeting the Agency warrant requirements from the SPE through the ACM. See CMM section 1.2.5.5. Waivers are not routinely given and individuals are encouraged to first use their 80 CLP requirement to meet the minimum requirements of the Level III FAC-C.
- f) Level III CO's may obtain a Purchase Card by following the requirements of Chapter 13 of this manual

1.2.5.4 Certificate of Appointment Levels - Level IV Contracting Officers

Levels IV COs are granted unlimited authority to enter into, administer, or terminate contracts and make related determinations and findings. They may also, appoint qualified individuals as COs. Appointment authority above the CCO level (e.g., the Director and Deputy Director of OAM, the Deputy Assistant Administrator, OARM) is inherent in these positions as defined in Chapter 1 of the Agency Delegations Manual.

1.2.5.5 Requesting Waivers to the Agency Warrant Requirements

In the event of unusual or compelling circumstances surrounding the selection or appointment of a warrant candidate, the appointing official may request a temporary waiver to the requirements for a FAC-C compliant warrant. Requests must be made through the ACM, using the Appendix 1.2B memorandum. Waivers shall not exceed 12 months

1.2.5.6 Conduct of Contracting Officers

All COs must follow the policies and procedures set forth in the Federal Acquisition Regulation Part 3 and the Ethics Reform Act of 1989. Contracting Officers, above the micro-purchase threshold, must have a current OGE Form 450, Confidential Financial Disclosure Report, on file with their Deputy Ethics Official (DEO). In Washington, Research Triangle Park, and Cincinnati, the DEO is the OAM Office Director. In the regions, the DEO is the Regional Administrator or the Deputy Regional Administrator. In the laboratories, the DEO is the Laboratory Director and Associate Director.

1.2.5.7 Continuing Education for the Warranted Acquisition Workforce

- 1) GS-1102s, 1105s, and 1106s must complete 80 CLPs every two years in accordance with OFPP Policy Letter 05-01. First priority should be given to completing mandatory courses.
- 2) Indirect Rate COs, FACOs, GS-1103s, and OAM's GS-510s and GS-511s must complete 80 CLPs every two years in accordance with OFPP Policy Letter 05-01.
- 3) OSCs must complete 40 CLPs every two years in accordance with OFPP Policy Letter

05-01 as Contracting Officer Representatives. See CMM Chapter 42 for additional information.

- A) Tracking and Auditing of CLPs
 - 1) All Agency Acquisition Workforce members must track their CLPs through the government-wide Acquisition Career Management Information System (ACMIS) found at www.acmis.gov. Immediate supervisors of Acquisition Workforce Members are responsible for confirming training, education, and experience entered into ACMIS. OAM is responsible for auditing information entered into ACMIS. Additional information on ACMIS and its use can be found in the OAM Acquisition Handbook Chapter 1.
 - 2) Any Agency CO who does not meet the CLP requirement may have their warrant suspended or revoked by the SPE. Due notice will be provided before warrants are suspended or revoked. CLP compliance audits will be conducted at the close of each two-year training period by the Agency ACM and OFPP. Individuals who do not meet their CLP requirements will be notified along with their management. Limited waivers may be given for non-compliance at the discretion of the ACM. The waiver request must be for compelling reasons and must be made in writing to the ACM.

1.2.5.8 Oversight of Acquisition Functions

- A) To avoid potential conflicts of interest, there should be an adequate separation of acquisition functions, i.e., one individual should not be responsible for initiating, awarding and accepting supplies or services under a contract action. In cases where functions cannot be separated, additional management oversight must be established to prevent abuses.
- B) Both the Government Accountability Office (GAO) and the Office of Management and Budget (OMB) have established standards for management accountability. GAO issues standards for internal control as required by Federal Managers' Financial Integrity Act of 1982. GAO's Standards for Internal Control in the Federal Government are posted on the internet at <http://www.gao.gov/special.pubs/ai00021p.pdf>. Prudent business practice also dictates that managers provide some level of internal review over individuals with fiduciary authority and responsibility. Organizations outside of OAM are responsible for periodically reviewing their contracting officers' actions to ensure prevention of fraud, waste, and abuse, and to confirm that applicable Federal and Agency acquisition policy and regulations are followed. This can be accomplished by a spot check of acquisition files, pre-award approvals, or post-award review by an individual who is at least one organizational level higher than the CO.
- C) OAM will conduct quality assessment plan compliance reviews, or equivalent type reviews, as resources permit. This review does not substitute for the management

controls listed in paragraph B of this section.

1.2.5.9 List of Appointing Officials

Charts 1-7 listed below indicate which appointing official is responsible for appointing COs in the various EPA organizations.

CO appointments for program office employees will be made by the CCO for the OAM division that processes that organization's acquisitions. For example, if the RTP Procurement Operations Division (RTPPOD) awards the organization's contracts, then the CCO at RTPPOD would appoint COs for that organization.

The OAM division that provides acquisition support for a particular organization will also appoint COs in that organization. Consequently, it is understood that if any changes occur to the following charts in organizational names, successor organizations, or change in OAM division providing acquisition support, the OAM division that provides support to that organization, notwithstanding the charts below, is authorized to appoint contracting officers for that organization. In case of any conflict over which OAM division is authorized to appoint contracting officers for a particular organization, the Director, OAM, will make the final decision.

Chart 1

| Appointing Official | Warrant Type |
|--------------------------------------------|-----------------------|
| Director, Office of Acquisition Management | All Level IV Warrants |

Chart 2

| Appointing Official | Warrant Type |
|-----------------------------------------------------------|-----------------------------------------------------|
| Director, Policy, Training, and Oversight Division (PTOD) | Levels I, II, & III for PTOD employees ¹ |

¹ As stated in section CMM 1.2.5.1 the cognizant CO may appoint ordering officers under specific BPA with authority to place orders up to the micro-purchase threshold. This chart designates the appointing official who appoints BPA ordering officers above the micro-purchase level.

Chart 3

| Appointing Official | Warrant Type |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Director, Headquarters Procurement Operations Division (HPOD)</p> | <p>1. Levels I, II, & III for HPOD employees in the following offices</p> <p>2. Levels I, II, & III for Agency employees in the following offices:</p> <p>Office of the Administrator Office of Enforcement and Compliance Assurance Office of Environmental Information Office of General Counsel Office of International Activities Office of Inspector General Office of Policy, Economics, and Innovation Office of Prevention, Pesticides and Toxic Substances Office of Administration and Resource Management Office of Air and Radiation Office of the Chief Financial Officer Office of Research and Development IT/IM Office of Water</p> |

Chart 4

| Appointing Official | Wa Type |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Director of Superfund/ RCRA Regional Procurement Operations Division (SRRPOD)</p> | <ol style="list-style-type: none"> 1. Levels I, II, & III for SRRPOD employees 2. Levels I, II, & II warrants for 1102 regional employees 3. Levels I, II, & III for Agency employees in the Office of Solid Waste and Emergency Response. 4. Levels I, II, & III for Agency employees in Regions 1 through 10 |

Chart 5

| Appointing Official | Warrant Type |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Director, RTP Procurement Operations Division (RTPPOD)</p> | <p>1. Levels I, II, & III for RTPPOD employees 2. Levels I, II, & III for Agency employees in the following offices:</p> <p>Office of Air and Radiation, including:</p> <p>Office of Air Quality Planning and Standards Office of Program Management Operations Office of Policy Analysis and Review Office of Radiation and Indoor Air National Air and radiation Environmental Laboratory (Montgomery, AL) Radiation and Indoor Environments National Laboratory, Las Vegas, NV Simplified acquisition contracting officer appointments for QAQPS</p> <p>Office of Research and Development</p> <p>National Exposure Research Laboratory (NERL), RTP National Health and Environmental Effects Research Laboratory (NHEERL), RTP National Center for Environmental Research (NCER) – SBIR only, RTP National Center for Computational Toxicology (NCCT)</p> <p>Office of Administration and Resources Management, RTP</p> <p>Office of the Chief Financial Officer, RTP Office of Civil Rights, RTP Office of Environmental Information/Office of Technology Operations and Planning National Technology Services Division, RTP</p> |

Chart 6

| Appointing Official | Warrant Type |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director, Cincinnati Procurement Operations Division (CPOD) | <p>1. Levels I, II, & III for CPOD employees 2. Levels I, II, & III for Agency employees in the following offices:</p> <p>Office of Research and Development Headquarters; National Center for Environmental Assessment (NCEA); National Center for Environmental Research (NCER); National Risk Management Research Laboratory (NRMRL); National Homeland Security Research Center (NHSRC); Capital Equipment (open market > \$75K); Construction/ A&E</p> <p>Cincinnati employees in the following organizations:</p> <p>Office of Administration and Resource Management Office of Air and Radiation Office of Chief financial Officer Office of Research and Development Office of Water</p> |

Chart 7

| Appointing Official | Warrant Type |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| National Purchase Card Program Manager, PTOD ² | Issues Purchase Cards for Agency employees with warrants and appoints Purchase Card Contracting Officers. |

1.2.5.10 Procedures for Requesting a Warrant

- A) OAM is tasked with providing acquisition support throughout the Agency. Contracting Officers' warrants will be issued to Agency employees outside of OAM based on organizational need as well as the qualifications of the individual.
- B) Procedures for obtaining a Government-wide Commercial Purchase Card are set forth in Chapter 13 of this manual.
- C) Each warrant request must be submitted through OAM's Federal Acquisition Certification, Warrants, and BPA Database by the applicant's OAM Service Center

²Other than the OAM Director, this is the only individual authorized to issue purchase cards. The authority of the other appointing officials noted in the chart for Level I warrants does not include the authority to issue purchase cards. Procedures for obtaining and using the Purchase Card are set forth in Chapter 13 of this manual.

Manager or Regional CO supervisor and will be routed to the cognizant appointing official. The electronic application will capture the following information:

- 1) Name and address of the requesting organization;
- 2) Name, position title, and grade of nominee;
- 3) Delineate the nominee's:
 - a) Experience in Government contracting and administration, commercial purchasing, or related fields;
 - b) Education or special training in business administration, law, accounting, engineering, or related fields;
 - c) Knowledge of acquisition policies and procedures;
 - d) Specialized knowledge in the particular assigned field of contracting;
 - e) Satisfactory completion of acquisition training courses; and f)

Current FAC-C Level.
- 4) Type of warrant requested, such as Level I, Level II, On-Scene Coordinator warrant, etc., and any restrictions to these authorities. (For example, you may request a Level II, Delivery Ordering Officer warrant restricted to \$50,000 per order.)
- 5) Desired effective date of appointment/warrant.
- D) Each nominating official must document the need for contracting authority based on:
 - 1) Example of types of supplies and services to be purchased;
 - 2) The number of employees in your organization who currently have warrants and the level of all warrants (or those proposed to exercise contracting authority);
 - 3) The factors that make the current purchasing support impractical.
- E) To avoid potential conflicts of interest, there should be an adequate separation of functions; (i.e., one individual should not be responsible for initiating, awarding and accepting supplies or services under a contract action). The requesting organization must include a plan for maintaining this separation of functions with its request for contracting authority. In cases where functions cannot be separated, specify the management controls in place to prevent abuses.

- F) Address the procedures in place for a periodic acquisition review to ensure applicable Federal and Agency acquisition policy and regulations are followed.

1.2.5.11 Documentation, Distribution, and File Maintenance

- A) If the Appointing official approves the nomination, the appointing official shall issue a hard copy of the certificate of appointment to the nominee. The appointing official will also be responsible for approving the nominee's certification on the OAM Database. OAM's Database will electronically route a copy of the certificate to the nominee's immediate supervisor and designated personnel at the Financial Management Center, RTP, Financial Services Section, Accounting and Commodity Team (D143-02), Integrated Contract Management System (ICMS), and the Manager, Acquisition Training and Purchase Card Service Center (3802R). In addition to making this distribution, the appointing official shall ensure that the Senior Resource Official receives a copy of the certificate of appointment for all non-OAM employees.
- B) All dollar authorities and any limitations, if necessary, shall be listed on the face of the certificate of appointment. Certificate of appointments shall be serially numbered, within the fiscal year issued. The number shall begin with the acronym of the appointing official's division followed by the last two digits of the current fiscal year. For example, the first certificate of appointment issued by the Director, Headquarters Procurement Operations Division in FY03, would be numbered HPOD-03-01. Certificates of appointment shall include the Appointing official's signature, name, title and location.
- C) Each certificate of appointment shall stipulate a specific termination date or specify, unless terminated sooner, the appointment is effective as long as the appointee is assigned to (indicate division, regional office, or laboratory).

1.2.5.12 Termination of Appointment

- A) General. A CO warrant may be terminated, in writing, any time by the appointing official or the Director of OAM. The official terminating the warrant shall notify all of the same individuals/offices noted in section 1.2.5.11.A. These individuals/offices shall also be notified when the contracting officer leaves the organization. Reasons for termination of a warrant include:
 - 1) The clear and convincing need for appointment no longer exists, e.g., reassignment or termination of the employee, or the procurement workload has decreased; or
 - 2) Unsatisfactory performance as a CO.
 - 3) Non-compliance with OFPP mandated CLP requirement.

- B) Reassignment within the Agency. In situations where an individual who has been

appointed as a CO in one OAM division, regional office, Laboratory, Headquarters or regional field component is permanently reassigned or promoted to another OAM division, regional office, Laboratory, Headquarters or regional field component, the existing warrant shall be terminated. The gaining organization will be responsible for requesting a new warrant, if needed.

APPENDIX 1.2A

SAMPLE APPOINTMENT MEMORANDUM FOR CALL ORDERING OFFICERS UNDER BLANKET PURCHASE AGREEMENTS

(to be tailored appropriately by the cognizant contracting officer)

MEMORANDUM

SUBJECT: Authority to Place Orders under Blanket Purchase Agreement #

FROM: Cognizant Contracting Officer
Name of Service Center

TO: Newly Appointed Call Ordering Officer
EPA Program Office

I hereby appoint you as a call ordering officer under Blanket Purchase Agreement (BPA) # _____ with (specify vendor). A copy of the BPA is attached to this memorandum. Your individual ordering limit is \$3,000 per call. The total amount of all calls placed against the BPA shall not exceed \$100,000 over a three-year period. Only those individuals listed in the BPA may place orders. You cannot re-delegate your call ordering authority or allow others to place calls on your behalf. Listed below are your responsibilities and the rules that apply to the use of an Agency BPA.

1. Funding of Orders

You are responsible for ensuring that funds are committed by your Funds Certifying Official (FCO) prior to placing an order under the BPA. You may fund your orders by having your FCO reserve a specific amount for the month in the Integrated Financial Management System (IFMS) or your FCO may certify funds for each individual order. In either case, you must document your file to show that funds have been committed prior to placing an order. Do not place orders that exceed committed funds.

2. Placing Orders

a. All the orders you place must follow the ordering procedures set forth in the BPA. You must not change the terms and conditions of the attached BPA. All orders placed by you must conform exactly to the procedures stated in the BPA.

DOCUMENT OBSOLETE

b. In accordance with the Federal Acquisition Regulation 13.003(c), you must not break down requirements aggregating more than your call ordering limit merely to permit use of the BPA. This practice is commonly called “splitting orders” and is strictly forbidden.

3. Recording Orders

- a. By the 24th of each month, calls and receipts for that month and any adjustments to prior monthly reports shall be recorded on EPA Form 1900-63 (attached).
- b. You are required to use EPA Form 1900-63, Monthly Requisition and/or Receiving Report for Blanket Purchase Order Calls, to document your actions. This form is available on the Agency Intranet at <http://intranet.epa.gov/oas/fmsd/forms/1900-63.pdf> or by ordering them from National Service Center for Environmental Publications (NSCEP) in Cincinnati through e-mail at ncepifo@one.net. In addition, you are responsible for following the procedures listed below.
- c. The EPA Form 1900-63 must be signed (1) by you as the call ordering officer who placed the calls, and (2) by a receiving official cognizant of the receipt of the materials. One person shall not sign in both capacities. Funds will be cited with appropriate accounting and appropriation data, and the obligations reported on the 1900-63 must equal the total value of all orders placed and listed on that form.
- d. On the 24th of each month you shall forward a copy of the 1900-63, documenting your orders to the servicing finance office (*specify office and address*).
- e. The servicing finance office will use the completed EPA Form 1900-63 to record obligations each month and to audit vouchers for prices and for items ordered and received.

4. Pricing of Calls

The existence of a BPA does not justify purchasing from only one source. Since your purchasing limit is below the micro-purchase threshold (\$3,000), you are not responsible for documenting price reasonableness. However, it is the responsibility of the ordering officer to ensure that prices are reasonable prior to placing the order. Consequently, it is recommended that you occasionally check the BPA prices against other sources to determine if the Agency is getting the best price.

5. Timing and Distribution

- a. To allow orderly closing of finance records, calls and receipts must be posted through the 24th day of the month. In September of each year, all reasonable efforts shall be made to place orders in time for deliveries to be completed by September 24. If orders are placed between September 25 and September 30, a special EPA Form 1900-63 will be prepared for that period to ensure that all obligations for the entire fiscal year are recorded.

b. Copies of the completed EPA Form 1900-63 will be promptly distributed after the 24th day of every month and additionally, after the 30th day of September. Distribute copies of the form to the following parties:

- Funds Certifying Official
- Servicing Finance Office
- Cognizant Contracting Officer
- Local Property Officer (for accountable Government property)
- Receiving Officer (if your organization has a central point of contact)

6. Adjustments to Obligations

Adjustments that become necessary (such as by cancellation of orders placed on a previous report) shall be handled as credit items on the next monthly report. Items to be credited or adjusted must include complete accounting data, the date of the report on which the item was previously reported, and other descriptive information to verify the item on the earlier report.

Your BPA will be reviewed annually by either me or a representative of my office. Your records are also subject to audit by the Office of Inspector General. You must keep your records for a period of three years after the last order has been paid. Please read the attached BPA thoroughly. If you have any questions about the BPA or any problems with the vendor that you cannot resolve, please contact me on (123) 456-7890.

Attachments (2): EPA Form 1900-63
Copy of BPA

cc: Ordering Officer's Supervisor
Manager, Acquisition Training and Purchase Card Service Center, 3802R

APPENDIX 1.2B

Memorandum Format for Applying for Contracting Officer Warrant Waiver

Applicability: This is the mandatory memorandum format to request a waiver from the contracting officer warrant requirements.

ACTION: Request for Contracting Officer Warrant Waiver

FROM: *(OAM DD or RCO Supervisor)*

TO: *(Senior Procurement Executive)*

Through: *(Acquisition Career Manager)*

1. Request waiver of contracting officer warrant requirements for:

Name:

Position Title:

Series/Grade:

Position Description Number:

2. What is the condition prompting the waiver request? The rationale should be mission related and unusual and/or compelling.

3. Identify the specific warrant requirements (e.g., courses) that the individual does not meet.

4. Provide reasons as to why the requirements were not met; include a statement regarding the individual's ability to perform successfully in the position without meeting the standards.

5. Provide a time-phased plan to meet the warrant requirements. Indicate the date that the individual is expected to meet the warrant requirements. Include contingency planning.

6. Include the supervisor's contact information.

Requesting *Official (Supervisor)* Signature/Title/Date:

Endorsing Official (OAM DD or RCO Supervisor) Signature/Title/Date:

Acquisition Career Manager Action

Signature/Date:

- ☐ Recommend Approval
- ☐ Recommend Disapproval

Senior Procurement Executive Action

- ☐ Approved
- ☐ Disapproved

Signature/Date: